



Public hearing followup for Docket 13-035-184

1 message

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To: PublicService Commission <psc@utah.gov>

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Dear Commissioners:

Because we live near St. George, it is difficult for us to participate in your public hearings at the capitol. Nonetheless, we have listened to the audio recordings from last week's proceedings, and were surprised to learn that it is also possible to make comments by phone. Had we known, we most certainly would have done so, for there were issues raised during the public witness testimonies on July 29 that merit clarification.

As solar homeowners connected to Rocky Mountain Power's grid, we are very familiar with how net-metering works. We therefore wish to address one question in particular, for we purport that our Commissioners deserve to hear a more thorough, clear, detailed answer rather than mere generalities and innuendo.

The attorney for Rocky Mountain Power, Yvonne Hogle, described the following hypothetical scenario in her cross-examination of Sarah Wright, of Utah Clean Energy:

"Assume a 30 day billing cycle. Assume further that a net-metering customer consumes exactly 30 kWh from all sources, or 900 kWh for the billing cycle. Assume that the net-metering customer's solar generation produces 50 kWh on 18 days of those 30, and zero kWh on 12 days on the same billing cycle, so that... (let me tell you what the math is)... 900 kWh hours. Would you agree that, under that scenario, there is no export?"

"What would the net-metering customer pay for the billing cycle under current Utah residential rate, assuming those facts?"

"So for this billing cycle, where the net-metering customer uses the grid every day, generates no energy for 40% of the day, in the month, the net-metering customer pays \$7 for all the use of the grid, the utility's operations, the maintenance, the administrative and general cost, the cost of generation and the cost of transmission?"

This scenario was clearly an attempt to reiterate RMP's claim that net-metering customers pay nothing for infrastructure, i.e., "It's a wash." Unfortunately, without a calculator or spreadsheet in front of her, Ms. Wright could not provide a detailed answer to the question.

Here are the full details, which our Commissioners need to hear, lest they conclude that Ms. Hogle's assertion is accurate:

NO! That is not true. The hypothetical net-metering customer has paid for the infrastructure, but with kWh instead of dollars. The question RMP need to answer is: what does RMP do with those kWh?

For the first 18 days, RMP sells the excess 360 kWh at the full retail rate, thus earning:

\$8.55 - for fuel (even though RMP hasn't burned one lump of coal)

\$11.25 - for power generation (even though RMP hasn't produced even one kWh)

\$4.95 - for high voltage lines (even though there are none in the customer's subdivision)

\$11.25 - for local infrastructure (used by RMP to transfer and sell the kWh)

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\$36.00 - TOTAL earned by RMP by selling the excess 360 kWh.

For the other 12 days, RMP then credits the net-metering customer for those kWh—and rightfully so. Why shouldn't RMP compensate the customer at the same rate? Fair is fair. But please do not try to claim that "zero" has been paid for the infrastructure used. RMP has already sold the excess 360 kWh for \$36, which includes fuel, power generation, high voltage lines, and local infrastructure—even though the utility has done nothing to produce them.

Now let's extend the example further. What if the net-metering customer used more at night than his solar array put into the grid by day? Then RMP charges the customer that same full retail price for the difference. Just like all other customers, the solar homeowner pays for as much of RMP's electricity and infrastructure as he actually uses. Period.

And what if the net-metering customer uses less at night than he puts into RMP's grid by day? Then RMP allows him to "save" the unused kWh credits for future bills. However, in March every year, RMP confiscates any and all credits "saved," zeroes out the tally, and sells them for pure profit—having done nothing to generate that electricity.

Yet RMP accuses the net-metering customer of being a "freeloader"? This adds insult to injury.

We cannot stress enough how important it is for our Commissioners to understand the above facts. RMP's claim is not only misleading, but false. Any infrastructure that solar homeowners use is paid for in full, if not in dollars, most certainly in kWh—which RMP turns around and sells for dollars. Math does not lie.

We sincerely hope that the PSC can now see the bigger picture of net-metering transactions, and consequently reject RMP's request for an unjustifiable penalty surcharge on such customers.

Most urgently,

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